

# Medi-Cal Program Guide (MPG) Letter #761

April 24, 2013

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**Subject**            **INFOMAPPING OF MPG ARTICLES 10, 13, AND 15, INCOME CLARIFICATIONS AND WORKERS' COMPENSATION REPORTING REQUIREMENTS**

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**Effective**            Upon receipt.

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**Reference**

- County Policy
- MPG Special Notice (SN) 00-08
- Medi-Cal Memo dated April 14, 2000
- All County Welfare Directors Letter (ACWDL) 12-25

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**Purpose**                The purpose of this letter is to provide:

- Infomapped sections of the MPG
- Clarifications on the treatment of certain types of income
- Updated information for reporting Workers' Compensation claims

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**Background**        The Medi-Cal Program Section is in the process of rewriting the MPG using the Infomapping format. Most of the sections that have had changes since changing to the Infomapping format have already been completed.

Clarifications have been added to the MPG about the treatment of gifts to children with life-threatening conditions and income in-kind received from an individual in the home. These clarifications were previously issued in a Special Notice and memo.

The Department of Health Care Services (DHCS) has sole statutory lien and claim rights in Workers' Compensation matters involving a Medi-Cal beneficiary. DHCS contracts the identification and collection from Workers' Compensation cases to Health Management Systems. The contractor acts on behalf of DHCS to recover Medi-Cal paid services from Workers' Compensation cases.

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## Medi-Cal Program Guide (MPG) Letter #761, Continued

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### Highlighted Changes

Articles 10, 13, and 15 are now Infomapped.

The following clarification has been added to the MPG:

- Treatment of Gifts to Children with Life-Threatening Conditions
- Income In-Kind received from an individual living in the home

Workers will notify Health Management Systems directly when a Medi-Cal beneficiary reports a work-related injury.

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### Gifts to Children with Life-Threatening Conditions

In-kind gifts of any amount, and cash gifts up to \$2,000 in a calendar year, are excluded from income if given by a tax exempt organization to a child under age 18 who has a life-threatening condition. This income exclusion applies to the Medically Needy (MN) Program, other programs using the MN rules, and the Section 1931(b) Program. Terms for this exclusion are defined in the table below.

Term	Definition
Child	A child who has not yet reached his/her 18 <sup>th</sup> birthday.
Tax-Exempt Organization	An organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) of 1986 and exempt from taxation under Section 501(c) of that Code.

The worker shall obtain a written declaration from the adult(s) legally responsible for the child that states that the child has a life-threatening condition. The written declaration must include the general nature of the child's condition. If the declaration is questionable, an oral or written corroboration from a physician may be requested.

The worker shall also obtain a copy of the organization's IRS 501(c) exemption certificate.

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### Income In-Kind from Someone in the Home

In-kind income provided by an individual who is not a responsible relative but is living in the home is not counted against the Medi-Cal Family Budget Unit (MFBU). Income in-kind would only be counted if provided by someone who is not a responsible relative and is not living in the home.

Example: Unmarried parents with two common children are living together. On the statement of facts, they state that the father is providing the mother with free housing and utilities. In this situation, since he is in the home, income in-kind would not be counted.

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### **Workers' Compensation Claims**

When a Medi-Cal beneficiary reports a work-related injury, the worker shall notify Health Management Systems at:

Health Management Systems  
660 J Street #270  
Sacramento, CA 95814  
Telephone (916) 760-5100  
Fax (916) 854-1850

The notification shall include the following:

- Beneficiary's name, address, and telephone number
  - Medi-Cal Benefits Identification Card (BIC) number
  - Date of injury
  - Type of injury
  - Attorney's name, address and telephone number, if applicable
  - Insurance company's name, address and telephone number
  - Employer's name, address and telephone number
  - WCAB Number, if known
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### **Automation Impact**

No impact.

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### **Forms Impact**

No impact.

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### **ACCESS Impact**

No impact.

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### **Scanning Impact**

No impact.

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### **Other Program Impact**

No impact.

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**QC/QA  
Impact**

Effective with the May 2013 review month, Quality Assurance will cite the appropriate error on any case that does not comply with the requirements outlined in this letter.

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**Summary of  
Changes**

The table below shows the changes made in the MPG cites.

Section	Summary of Change
<a href="#">Article 10, Section 1</a>	Infomapped Section
<a href="#">Article 10, Section 3</a>	Added Treatment of Gifts to Children with Life-Threatening Conditions
<a href="#">Article 10, Section 4</a>	Infomapped Section
<a href="#">Article 10, Section 5</a>	Added clarification regarding income in-kind
<a href="#">Article 10, Section 7</a>	Infomapped Section
<a href="#">Article 13, Section 1</a>	Infomapped Section
<a href="#">Article 15, Section 2</a>	Section obsolete as the information is in Article 4, Section 18
<a href="#">Article 15, Section 3</a>	Infomapped Section

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**Approval for  
Release**

*Paul Wilson, Dep. Dir. 4-24-13*

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